

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

COGENT ENERGY SOLUTIONS, LLC,

Plaintiff,

v.

CLH, LLC and GRANITE PEAK
DEVELOPMENT, LP
Defendants.

§
§
§
§
§
§
§
§
§
§

CASE NO. _____

**PLAINTIFF COGENT ENERGY SOLUTIONS, LLC'S
ORIGINAL COMPLAINT AND JURY DEMAND**

Plaintiff COGENT ENERGY SOLUTIONS, LLC, files its Original Complaint
against Defendants CLH, LLC, and GRANITE PEAK DEVELOPMENT, LP as follows:

I. JURISDICTION AND VENUE

1. This Court has diversity jurisdiction. The amount in controversy exceeds
the jurisdictional minimum of this Court. 28 U.S.C. § 1332.

2. Venue is proper in this District. 28 U.S.C. § 1391.

II. PARTIES

3. Plaintiff COGENT ENERGY SOLUTIONS, LLC ("Cogent") is a limited
liability company in the business of, among other things, entering into ventures for the
development of assets to store and transport crude oil. Cogent's members are citizens
of Texas.

4. Cogent is a member in and the Lead Manager for Cheyenne Rail Hub,
LLC ("CheyHub"), an entity formed in 2013 to acquire real property in Cheyenne,

Wyoming, and to design, build, develop and operate a crude oil rail transloading facility on the property.

5. Defendant CLH, LLC ("CLH"), is a former a member in CheyHub. On information and belief, the members of CLH are natural persons and citizens of Wyoming. CLH may be served through its Managing Member: Richard J. Fairservis, 1300 Venture Way, Casper, Wyoming 82609.

6. Defendant GRANITE PEAK DEVELOPMENT, LP ("Granite Peak"), is the assignee of CLH's membership interest in CheyHub. On information and belief, the partners in Granite Peak include: a Wyoming corporation with its principal place of business in Wyoming, and a Wyoming trust with Wyoming beneficiaries. Granite Peak may be served through the President of its general partner: Richard J. Fairservis, President, Granite Peak Development Management Inc., General Partner, 1300 Venture Way, Casper, Wyoming 82609.

III. FACTS

7. As noted above, CheyHub was formed to design, build, develop and operate a crude oil rail transloading facility in Cheyenne, Wyoming. The real property where the facility would be located was to be acquired from CLH or its affiliate. Section 4.1(d) of the CheyHub agreement required CLH to lease the real property to CheyHub for up to two years, and then to sell the real property to CheyHub.

8. Relying on CLH's representations that it owned the real property, Cogent, acting as CheyHub's Lead Manager, caused a multimillion dollar facility to be built on the real property. Cogent has borrowed millions of dollars to fulfill its obligations to CheyHub in connection with the facility.

9. Recently, and after the facility was built, Cogent discovered that neither CLH nor its assignee, Granite Peak, owns the real property where the facility is located. Although more than two years has passed, CLH and Granite Peak cannot comply with Section 4.1(d) of the CheyHub agreement, because they do not own the real property.

10. Further, CLH, and now Granite Peak, have breached the implied covenant of good faith and fair dealing, through the conduct set forth above and other conduct.

11. Cogent reserves the right to amend its Complaint to add additional factual allegations and causes of action.

IV. CAUSE OF ACTION

Breach of Contract

12. Defendants have breached the CheyHub agreement and as a result caused damages to Cogent exceeding the jurisdictional minimum of this Court.

13. All conditions precedent have been satisfied or have occurred.

V. PRAYER

WHEREFORE, PREMISES CONSIDERED, Plaintiff COGENT ENERGY SOLUTIONS, LLC, respectfully requests that this Honorable Court and Jury:

- A. Award Plaintiff its actual damages and all other appropriate remedies, legal or equitable.
- B. Award Plaintiff prejudgment interest.
- C. Award Plaintiff its expenses, attorneys' fees and costs as provided by applicable law.
- D. Award Plaintiff such other and further relief to which it may be entitled under the circumstances.

SIGNED this 26th day of October, 2015.

Respectfully submitted,

By: /s/ Cynthia R. Levin Moulton
Cynthia R. Levin Moulton
Attorney-in-Charge
State Bar No. 12253450
S.D. Tex. Bar No. 11482
800 Taft St.
Houston, Texas 77019
(713) 353-6699 Telephone
(713) 353-6698 Facsimile
cmoulton@moultonwilsonarney.com

Of counsel:
MOULTON, WILSON & ARNEY, L.L.P.
Lance C. Arney
State Bar No. 00796137
S.D. Tex Bar No. 20703
800 Taft St.
Houston, Texas 77019
(713) 353-6699 Telephone
(713) 353-6698 Facsimile
larney@moultonwilsonarney.com